

**SECURITIES FRAUD**

**SPEAR & JACKSON, INC.**

Soneet R. Kapila was appointed as Corporate Monitor by the Securities & Exchange Commission ("S.E.C.") and Federal District Court to oversee and monitor the business operations of this international company.

**BAYSIDE VENTURES, LLC**

Soneet R. Kapila was appointed as "Liquidator" for four hedge fund LLC's to marshal and administer the assets of these funds for investors. His scope includes a forensic investigation of the historical transactions to trace assets.

**TEL-ONE, INC.**

Soneet R. Kapila was appointed by the S.E.C. and Federal District Court as the Claims Administrator in this "pump and dump" securities fraud case.

**AEROSONIC CORPORATION**

The Audit Committee of this public company retained Kapila and Company as consultants to investigate certain transactions, management conduct and alleged misstatements in previously issued financial statements.

**SEC VS. A.B. FINANCING & INVESTMENT, INC.**

Kapila & Company was retained by the S.E.C. as forensic consultants and experts to assist in the financial analysis of investment and cash transactions in order to assist the SEC in quantifying the loss incurred by the investors.

**LANCER OFFSHORE RECEIVERSHIP**

Kapila & Company has been retained by the Federal Court appointed Receiver in this substantial hedge fund operation to serve in the role of Testifying Expert.

**CONSULTANT TO SEC, FTC & FEDERAL COURT APPOINTED RECEIVER/TRUSTEE**

Kapila & Company has served as accountants to the S.E.C., F.T.C., and Federal Court appointed Receivers and Trustees in the following:

- Financial Federated Title & Trust, Inc.
- International Capital Management, Inc.
- World Corp.
- Medco, Inc.

## Exhibit E

- Transamerica Wireless Systems, Inc.
- Intercontinental Telecommunications Co.
- Comcoa, Ltd.
- Junction Financial Corporation
- Hawa Corporation/Hawa Communications, Inc.
- SunState FX, Inc.
- World Class Limo
- Internet Capital Consultants, Inc.
- Pheonix Investments, Inc. f/k/a Pheonix Financial Groups, Inc.
- Federal Trade Commission v. Inspired Ventures, Inc., Jesse Alper and Victor Alper
- Associated Record Distributors
- Casino Gaming Factory
- Get Answers, Inc.
- Federal Trade Commission vs. Nationwide Connections, Inc., Access One communications, Inc., Network One Services, Inc., Willoughby Farr, Mary Lou Farr, Yaret Garcia, Erika Riaboukha and Qaadir Kaid
- Securities & Exchange Commission vs. KS Advisors, Inc., KS Condor Partners, Ltd., II, Damian Partners, LLC, Scott Fine and Kevin Boyle

Kapila & Company untangled an intricate web of related party transactions and traced cash flows by analyzing and evaluating the voluminous financial activity of these entities.

The S.E.C./U.S. Government seized the corporate assets and closed the businesses due to the Companies' alleged sale of unregistered securities and securities fraud. Kapila & Company assisted the Receivers in securing the premises, identifying and marshalling assets and prepared written reports, which were utilized by both the S.E.C. and the Receivers for enforcement and recovering assets for the benefit of investors. The analysis and investigation of corporate transactions involved significant transfers of funds, including international and offshore corporate structures.

Kapila & Company also analyzed funds flows to determine a Ponzi scheme and prepared in-depth Ponzi analyses, which were instrumental in testimony to recover additional assets for distribution to defrauded investors.

### STATE COURT RECEIVERSHIPS/ASSIGNMENTS

Soneet R. Kapila was appointed Receiver or Assignee for the Benefit of Creditors in the following cases involving businesses in health care industries, investment property, real estate and hotel operations:

- National Fisheries, Inc.
- Med/Waste, Inc.

## Exhibit E

- High Point - health care and substance/alcohol abuse facility
- Casual Furnishings Group (Porch & Patio) - casual furniture multi-location retail outlets
- Greenwich Insurance Services, Inc. - insurance agency
- Carpet-Tile Outlet, Inc. - multi-location floor covering operation
- County Collection Services, Inc. - "collection" operation for Palm Beach County liens
- Kaplan International, Inc. - meat purveyor
- Calumet/Bayshore Waterfront Apartments - 32-unit hotel/condominium
- Clybon Corporation - commercial real estate
- Citibank, F.S.B. v. Claude A. Naar, M.D., P.A., et al.
- Gary F. Gieseke, MD, PA

His duties included preservation and marshalling of corporate assets for the benefit of creditors. He accomplished the reorganization of the corporate structure of an insurance agency to ensure a separation of the disputing shareholders and an orderly liquidation of estate assets while maximizing return to the creditors.

### **NATIONAL FISHERIES, INC.**

Soneet R. Kapila was appointed the Assignee for the benefit of creditors. He took immediate charge of the operations to liquidate all perishable inventories and conducted an expeditious liquidation of assets to preserve the value for the benefit of creditors, providing a substantial return to the secured lender who had a lien on all assets.

### **MED/WASTE, INC.**

Soneet R. Kapila was appointed the State Court Receiver of this multi-state, medical waste management company. The corporation operated in several states having its distressed times due to cash constraints. He took charge of all of the operations and conducted an orderly liquidation of assets and accounts receivable providing a meaningful return to a major banking institution. His duties also encompassed dealing with environmental regulatory authorities to provide safeguards to minimize negative impact of hazardous waste.

## Exhibit F

K&C is one of the foremost insolvency/creditors' rights and litigation consulting practices in the tri-county region of South Florida with its offices in Fort Lauderdale. The partners of K&C have been involved in the growth and development of the South Florida community since 1985.

With a staff of over twenty, the firm has gained prominence and credibility in Florida by rendering insolvency, turnaround, forensic/ investigative litigation support and public accounting services. Soneet R. Kapila and our key professionals bring extensive experience and training from national and regional accounting firms.

The principal personnel of the firm have extensive experience covering a wide gamut of industries including securities fraud, financial institutions, manufacturing, health care, mutual funds, not-for-profit organizations, commodities brokers, retail, construction and distribution. Based on the strong backgrounds of its professionals in such industries, K&C has achieved a high credibility and recognition in providing quality and focused service.

K&C is regarded as a leader in providing services in areas of creditors' rights matters, insolvency taxation, business analysis, troubled business turnaround, complex commercial litigation support including measurement of lost profits and damages and securities fraud.

K&C's Forensic Technology Group, ("FTG") positions the firm to investigate computer and cyber fraud/crime. The FTG has a proven track record of being instrumental in uncovering information of great value in cases riddled with computer fraud.

Soneet R. Kapila is recognized as a "business man" in his skills. He has been appointed in Federal District Court as Corporate Monitor and Claims Administrator, in Bankruptcy Court as an Examiner, Chapter 11 Trustee of operating businesses, a Liquidating Trustee, and in State Court as Receiver. K&C has a demonstrated track record as a team of business people who conduct a thorough business analysis of operations and focus on issues important to cash flow and profitability. K&C specializes in debt restructuring, creditor negotiations and implementing turnaround strategies and restructuring negotiations for under-performing companies.

Soneet R. Kapila is a sitting member on the Panel of U.S. Chapter 7 Bankruptcy Trustees in the Southern District of Florida, and is regarded as a prominent member of the local community.

The firm and its principal personnel are members of the Association of Insolvency and Restructuring Advisors, Association of Certified Fraud Examiners, the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. The firm is also a member of the Private Companies Practice Section of the AICPA and subscribes to the independent peer review of the member's audit and accounting practice quality controls by this division.

**BIOGRAPHICAL INFORMATION**

**Soneet R. Kapila** is the founding principal of Kapila & Company. He is a Certified Public Accountant, a Certified Insolvency & Restructuring Advisor and a Certified Fraud Examiner. His practice is concentrated in the areas of creditors' rights, bankruptcy, securities fraud and financial transactions litigation. Mr. Kapila has served as Bankruptcy Trustee, Examiner, Corporate Monitor (SEC appointment) and State Court Receiver in numerous matters in the Southern District of Florida. He advises and represents debtors and creditors' committees in formulating, analyzing and negotiating plans of reorganization. Mr. Kapila is a recognized expert in fraudulent conveyance and insolvency issues. He has provided expert testimony and extensive litigation support services to law firms involving complex forensic analysis and insolvency issues.

**Lesley J. Johnson** is a Tax Partner at Kapila & Company. She is a Certified Public Accountant and a Certified Insolvency & Restructuring Advisor. Ms. Johnson concentrates on bankruptcy and insolvency taxation, providing tax services to debtors, creditors, Bankruptcy Trustees and Liquidating Trustees. She has assisted in analyzing sophisticated and complex tax issues relating to liquidating trusts, corporate reorganization, and tax restructuring. She has provided litigation support services to law firms for projects involving utilization of net operating losses, preservation of tax attributes, business and tax consolidations tax analysis of embezzlements and "Ponzi" frauds and reconstructing decedents' Estate assets. Ms. Johnson has represented clients before the Internal Revenue Service and State taxing authorities. She has provided tax-planning strategies while assisting Bankruptcy Trustees, Examiners and court appointed receivers operate businesses in a variety of industries. Ms. Johnson's experience is in tax and investigative engagements encompass real estate development, retail, wholesale, medical practices, broker-dealers, investment firms, estates and trusts.

**Melissa Murchison-Davis** is a Principal at Kapila & Company and joined the Firm in 1998. She is a Certified Public Accountant, a Certified Insolvency & Restructuring Advisor and a Certified Fraud Examiner. Ms. Murchison has concentrated on providing bankruptcy litigation and forensic investigation services to SEC and FTC Receivers, debtors, creditors, bankruptcy trustees and multi-million dollar liquidating trusts. Her experience in bankruptcy matters encompasses investigating fraudulent and preferential transfers and related defense, solvency analyses, bankruptcy-related financial reporting, claims review and litigation support in adversary proceedings. Ms. Murchison has assisted bankruptcy trustees in operating a variety of companies, while in Chapter 11 bankruptcy. She has also prepared due diligence information and assisted in marketing operating companies to potential purchasers. Ms. Murchison has experience in proving litigation support and damage calculations through forensic financial investigations in a variety of industries. She has assisted with the investigation of securities fraud, corporate business conduct, and Ponzi-

## EXHIBIT G

schemes. Her experience includes numerous forensic and fraud investigations while working in conjunction with the Securities and Exchange Commission, the Federal Bureau of Investigation and the United States Attorney's Office. Ms. Murchison also specializes in assisting court-appointed Receivers investigate and marshal assets of companies forced into receivership by the Securities and Exchange Commission.

**Mary M. McMickle** is a Principal at Kapila & Company. She is a Certified Public Accountant in Texas and has passed all tests to become certified as a Certified Insolvency & Restructuring Advisor. Ms. McMickle has provided a wide variety of bankruptcy, creditors' rights and investigative services to bankruptcy trustees, debtors and creditors. She has assisted Chapter 11 bankruptcy trustees and examiners in investigating the conduct of management and business operations. At Kapila & Company, she has assisted in the analysis and presentation of defenses of preferential and fraudulent transfers. Her litigation support experience includes asset tracing in connection with troubled businesses, lost profits calculations, business valuations and complex solvency analysis. Ms. McMickle has planned, executed and managed numerous audit engagements in a variety of industries including television and newspaper, hotels and private clubs, and wholesale video distribution.

**Carol L. Fox** is a Principal at Kapila & Company. She is a Certified Public Accountant, a Certified Insolvency & Restructuring Advisor and a Certified Fraud Examiner. Ms. Fox has provided investigative services in the areas of forensic investigation, litigation support, and bankruptcy. She has analyzed debtor accounting activity, bankruptcy schedules, and Debtor-In-Possession Reports. Ms. Fox has assisted with the preparation of lost profit models and reports for damage calculations, investigating management's financial conduct relating to business operations and financial reporting.